



Photo of the U.S.S. Constitution also known as Old Ironsides. The Bunker Hill Monument is depicted in the background.

Photography courtesy of the Massachusetts Office of Travel and Tourism

“.....that as free and independent states they have full power to levy wars, conclude peace, contract alliances, establish commerce and to do all other acts and things that independent states may of right do.”

***Thomas Jefferson
Declaration of Independence***

After the Revolution, Revere became an early industrialist. He continued to practice his craft as a silversmith and goldsmith, but diversified his businesses. He established a foundry and cast the first church bells ever made in America. The company he started, Revere Copper and Brass, pioneered the manufacture of copper-bottomed cookware.

Adams assumed the job of writing a new state constitution which established a bicameral legislature and was ratified by popular vote and became effective on June 17, 1780. Although Massachusetts was the last of the thirteen colonies to adopt a written constitution, it is the only state still governed by its original document.

Visitors to Boston can still see many of the sites that played a prominent role in America's revolution and America's history by walking the Freedom Trail.

On this trail is the Granary Burying Ground that is the final resting place of the patriots. Three signers of the Declaration of Independence, nine governors of Massachusetts, the victims of the *Boston Massacre*, Benjamin Franklin's parents, James Otis, Samuel Adams and Paul Revere all lie buried here.

COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
ALL GOVERNMENTAL FUND TYPES
FOR FISCAL YEARS 1986 THROUGH 1995
(Amounts in millions)

	<u>1995</u>	<u>%</u>	<u>1994</u>	<u>%</u>	<u>1993</u>	<u>%</u>	<u>1992</u>	<u>%</u>
Taxes	\$ 11,262	47	\$ 10,611	46	\$ 10,021	45	\$ 9,479	46
Federal reimbursements	3,852	16	3,904	17	3,376	15	3,021	15
Federal grants	1,187	5	1,205	5	1,118	5	1,199	6
Lotteries	2,957	12	2,600	11	2,148	10	1,831	9
Assessments	572	2	544	2	597	3	787	4
Motor vehicle licenses and registrations	307	1	284	1	331	1	300	1
Other fees, investment earnings, etc.	1,154	5	1,113	5	1,215	5	1,710	8
Proceeds of dedicated tax bonds								
Proceeds of general obligation bonds	810	3	392	2	368	2	721	3
Proceeds of special obligation bonds			298	1			100	
Proceeds of refunding bonds	514	2	836	4	1,891	8	574	3
Proceeds of capital lease	18		34		13		17	
Operating transfers	1,534	6	1,367	6	1,177	5	1,021	5
Other financing sources	<u>49</u>		<u>35</u>		<u>46</u>		<u>47</u>	
Total revenue and other financing sources	\$ <u>24,216</u>		\$ <u>23,223</u>		\$ <u>22,301</u>		\$ <u>20,807</u>	

<u>1991</u>	<u>%</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>	<u>1988</u>	<u>%</u>	<u>1987</u>	<u>%</u>	<u>1986</u>	<u>%</u>
\$ 9,143	41	\$ 9,007	50	\$ 8,695	51	\$ 8,033	55	\$ 7,970	54	\$ 7,462	57
3,075	14	2,092	11	1,942	11	1,830	12	1,546	10	1,427	11
1,088	5	1,042	6	1,045	6	803	5	812	5	827	6
1,692	8	1,657	9	1,447	9	1,390	9	1,276	9	1,066	8
1,542	7	277	1	243	1	160	1	199	1	20	
290	1	306	2	237	2	167	1	175	1	151	1
1,455	6	1,188	7	1,038	6	993	7	829	6	824	6
1,363	6										
1,030	5	1,430	8	1,374	8	543	4	315	2	442	4
				226	1			526	4		
28		7		35							
1,477	7	1,068	6	805	5	870	6	1,159	8	893	7
<u>36</u>		<u>30</u>		<u>5</u>		<u>52</u>		<u>7</u>		<u>3</u>	
\$ <u>22,219</u>		\$ <u>18,104</u>		\$ <u>17,092</u>		\$ <u>14,841</u>		\$ <u>14,814</u>		\$ <u>13,115</u>	

COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BY CHARACTER AND SECRETARIAT - ALL GOVERNMENTAL FUND TYPES
FOR FISCAL YEARS 1986 THROUGH 1995
(Amounts in millions)

Character and Secretariat	1995	%	1994	%	1993	%	1992	%
Current:								
Legislature	\$ 47		\$ 43		\$ 41		\$ 44	
Judiciary	356	1	338	1	306	1	315	2
Inspector General	2		1		1		1	
Governor and Lieutenant	5		4		4		4	
Secretary of the Commonwealth	14		12		14		12	
Treasurer and Receiver - General	2,353	10	2,052	9	1,659	7	1,379	7
Auditor of the Commonwealth	11		11		10		10	
Attorney General	22		38		36		18	
Ethics Commission	1		1		1		1	
District Attorney	51		47		44		39	
Office of Campaign and Political Finance	1		1				1	
Disabled Persons Protection Commission	1		2					
Board of Library Commissioners	5		5		5		4	
Comptroller	6		6		6		5	
Administration and finance	876	4	863	4	682	3	833	4
Environmental affairs	174	1	169	1	162	1	141	1
Communities and development	340	1	358	2	364	2	397	2
Health and human services	4,491	19	4,327	19	4,034	18	4,007	20
Transportation and construction	112		120	1	273	1	92	
Education	487	2	458	2	469	2	392	2
Educational affairs	6		3		10		17	
Higher education (1)	75		67		69		1,288	6
Public safety	732	3	693	3	611	3	658	3
Economic affairs	199	1	214	1	210	1	194	1
Elder affairs	161	1	155	1	150	1	137	1
Consumer affairs	34		33		30		27	
Labor	24		24		24		19	
Independent commissions								
Medicaid	3,252	14	3,216	14	3,151	14	2,853	14
Pension	889	4	830	4	893	4	751	4
Direct local aid	2,976	12	2,727		2,547	11	2,278	11
Capital outlay:								
Local aid	94	7	100		105		87	
Capital acquisition and construction	1,698	5	1,464	6	1,133	5	1,157	6
Debt service	1,234	5	1,152	5	1,143	5	901	5
Other financing uses:								
Payment to refunded bond escrow agent	514	2	836	4	1,891	8	574	3
Fund deficit support								
Transfers	2,732	11	2,651	12	2,364	11	1,654	8
Other								
Total expenditures and other financing	\$ <u>23,975</u>		\$ <u>23,021</u>		\$ <u>22,442</u>		\$ <u>20,290</u>	

(1) Subsequent to 1992, expenditures related to Higher Education are presented in the University College Fund Type. Prior years have not been restated.

1991	%	1990	%	1989	%	1988	%	1987	%	1986	%
\$ 40		\$ 44		\$ 49		\$ 48		\$ 45		\$ 42	
298	1	305	2	280	2	271	2	250	2	268	2
1		1		1		1		3		1	
4		5		6		6		4		9	
13		11		14		13		15		8	
1,290	6	1,193	6	1,022	6	1,079	7	700	6	976	8
11		11		13		13		11		9	
89		29		43		92	1	28		24	
1		1		1		1		1		1	
42		47		81		80		41			
1											
21		20									
5		6		5		5		6		4	
878	4	874	5	485	3	737	5	999	7	311	2
172	1	171	1	185	1	198	1	180	1	181	1
410	2	403	2	390	2	349	2	293	2	264	2
5,011	23	4,118	22	3,532	20	2,957	19	2,885	19	2,290	18
176	1	162	1	60		94	1	157	1	159	1
339	2	332	2	329	2	311	2	263	2	1,174	9
1,211	6	1,155	6	1,164	7	1,058	7	1,126	7		
148	1	154	1	164	1	162	1	129	1	112	1
169	1	159	1	202	1	176	1	178	1	152	1
143	1	150	1	175	1	145	1	165	1	130	1
32		34		50		46		30		26	
21		23		24		19		19		10	
				28		35		32			
2,872	13	1,929	11	2,336	13	1,707	11	1,380	10	1,651	13
706	3	672	4	663	4	600	4	622	4	401	3
2,608	12	2,937	16	2,961	17	2,769	18	2,601	17	2,192	17
226	1	208	1	112	1	27		10			
945	5	929	5	1,125	6	842	5	764	5	632	5
1,407	7	775	4	654	4	568	4	530	4	522	4
		0		226	1			526	3		
						231	1	361	3		
2,098	10	1,613	9	1,348	8	1,088	7	642	4	1,638	12
						18		33			
<u>\$ 21,388</u>		<u>\$ 18,471</u>		<u>\$ 17,728</u>		<u>\$ 15,746</u>		<u>\$ 15,029</u>		<u>\$ 13,187</u>	

COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF PERCENTAGE OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL EXPENDITURES -
ALL GOVERNMENTAL FUND TYPES
(Amounts in millions)

<u>Fiscal year ended June 30</u>	<u>Debt service (1)</u>	<u>Total expenditures (2)</u>	<u>Ratio</u>
1995	\$ 1,234	\$ 20,729	6.0
1994	1,151	19,534	5.9
1993	1,143	18,187	6.3
1992	901	18,061	5.0
1991	1,407	19,290	7.3
1990	775	16,861	4.6
1989	654	16,154	4.0
1988	568	14,199	4.0
1987	530	13,257	4.0
1986	522	11,549	4.5

(1) Debt service includes principal and interest payments related to general obligation long-term bonds and minibonds. Minibonds are general bonded debt instruments reported as fund liabilities because of their demand provisions.

(2) Expenditures related to Higher Education in fiscal years subsequent to 1992 are presented in the University and College Fund Type. Prior years expenditures have not been restated to conform to this presentation.

COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF PER CAPITA GENERAL LONG-TERM BONDED DEBT
(Amounts in thousands)

<u>Fiscal year ended June 30</u>	<u>Massachusetts resident population</u>	<u>Total long- term bonds and notes payable</u>	<u>Per capita long-term debt</u>
1995	6,203	\$ 9,628,466	\$ 1,552
1994	6,089	9,427,745	1,548
1993	5,998	9,231,458	1,539
1992	5,998	9,264,430	1,545
1991	5,996	8,580,339	1,431
1990	6,020	6,605,039	1,097
1989	6,016	5,370,627	893
1988	5,981	4,272,384	714
1987	5,936	4,001,918	674
1986	5,903	3,625,596	614

Source: United States Department of Commerce, Bureau of the Census

**COMMONWEALTH OF MASSACHUSETTS
COMPONENT UNITS REVENUE BOND COVERAGE
FOR THE LAST TEN FISCAL YEARS**
(Amounts in thousands)

<u>Fiscal year ended June 30</u>	<u>Net revenues (1)</u>	<u>Debt service requirements (2)</u>	<u>Coverage</u>
1995	\$ 272,308	\$ 232,473	1.17
1994 (3)	220,185	192,975	1.14
1993	332,195	305,156	1.09
1992	310,372	295,389	1.05
1991	278,822	260,982	1.07
1990	226,444	260,362	0.87
1989	219,764	49,120	4.47
1988	146,001	45,748	3.19
1987	129,577	57,877	2.24
1986	120,683	74,702	1.62

(1) Net revenues represent the regular recurring operating income (loss) plus operating grants, transfers and depreciation of only those Authorities with revenue bonds outstanding.

(2) Debt service requirements represent total debt service payments made less debt service paid on short-term borrowings of only those Authorities with revenue bonds outstanding.

(3) Amounts are reflective of the implementation of the Governmental Accounting Standards Board Statement No. 14, "The Reporting Entity." Prior years have not been restated for incorporation of the new list of component units.

Source: Office of the Comptroller

COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF MASSACHUSETTS AND UNITED STATES RESIDENT POPULATION
(Amounts in thousands)

<u>Year</u>	<u>United States</u>	<u>% Change</u>	<u>Massachusetts</u>	<u>% Change</u>	<u>Massachusetts as % of U.S.</u>
1995	263,434	0.9%	6,203	1.9%	2.4%
1994	260,967	1.3%	6,089	1.5%	2.3%
1993	257,592	1.0%	5,998	0.0%	2.3%
1992	255,020	1.1%	5,998	0.0%	2.4%
1991	252,177	1.1%	5,996	(0.4%)	2.4%
1990	249,466	1.1%	6,020	0.1%	2.4%
1989	246,820	0.9%	6,016	0.6%	2.4%
1988	244,534	0.9%	5,981	0.8%	2.4%
1987	242,321	0.9%	5,936	0.6%	2.4%
1986	240,162	0.9%	5,903	0.4%	2.5%

Source: United States Department of Commerce, Bureau of the Census

COMMONWEALTH OF MASSACHUSETTS
NONAGRICULTURAL EMPLOYMENT BY INDUSTRY
IN MASSACHUSETTS AND THE UNITED STATES FOR 1995 (1)
(Amounts in thousands)

Type of industry	MA	% of MA Total	U.S.	% of U.S. Total	MA % vs. U.S. %
Total manufacturing:	449	15.1%	18,319	15.7%	96.2%
Total durable goods	277	9.3%	10,573	9.1%	102.2%
Nondurable goods	172	5.8%	7,746	6.7%	86.6%
Total nonmanufacturing:	2,522	84.9%	97,996	84.3%	100.7%
Construction and mining	91	3.1%	5,258	4.5%	68.9%
Transportation and public utilities	127	4.3%	6,200	5.3%	81.1%
Wholesale and retail	677	22.8%	27,226	23.4%	97.4%
Finance, insurance and real estate	213	7.2%	6,956	6.0%	120.0%
Other services	1,013	34.1%	33,053	28.4%	120.1%
Federal, state and local government	<u>401</u>	13.5%	<u>19,303</u>	16.6%	81.3%
Total	<u>2,971</u>		<u>116,315</u>		

(1) Preliminary seasonally adjusted data as of September, 1995

Sources: Massachusetts Department of Employment and Training
United States Department of Commerce

**COMMONWEALTH OF MASSACHUSETTS
TEN LARGEST INDUSTRIES
BY NUMBER OF EMPLOYEES AS OF OCTOBER, 1995**
(Amounts in thousands)

<u>Industry</u>	<u>Employees</u>
Services	1,013
Wholesale and retail trade	677
Manufacturing - durable goods	277
Local government	240
Finance, insurance and real estate	213
Manufacturing - nondurable goods	172
Transportation and public utilities	127
State government	100
Construction and mining	91
Federal government	61

Source: Massachusetts Department of Employment and Training

**COMMONWEALTH OF MASSACHUSETTS
TEN-YEAR SCHEDULE OF ANNUAL AVERAGE CIVILIAN LABOR FORCE,
UNEMPLOYMENT AND UNEMPLOYMENT RATES
FOR MASSACHUSETTS AND THE UNITED STATES
(Amounts in thousands)**

Year	Massachusetts			United States			Massachusetts Rate as % of U.S. Rate
	Labor Force	Unemployment	Unemployment Rate	Labor Force	Unemployment	Unemployment Rate	
1995	3,161	162	5.1%	132,440	7,476	5.6%	91.1%
1994	3,183	205	6.4%	131,836	7,600	5.8%	110.3%
1993	3,158	207	6.6%	128,633	8,252	6.4%	103.1%
1992	3,126	265	8.5%	126,983	9,384	7.4%	114.9%
1991	3,127	280	9.0%	125,303	8,426	6.7%	134.3%
1990	3,166	189	6.0%	124,787	6,874	5.5%	109.1%
1989	3,180	127	4.0%	123,869	6,528	5.3%	75.5%
1988	3,155	103	3.3%	121,669	6,701	5.5%	60.0%
1987	3,086	99	3.2%	119,865	7,425	6.2%	51.6%
1986	3,058	118	3.9%	117,834	8,237	7.0%	55.7%

Sources: Massachusetts Department of Employment and Training
United States Department of Labor, Bureau of Labor Statistics

COMMONWEALTH OF MASSACHUSETTS
TWENTY-FIVE LARGEST PRIVATE SECTOR MASSACHUSETTS EMPLOYERS

American Telephone & Telegraph Company
Bank of Boston
Beth Israel Hospital
Blue Cross of Massachusetts, Inc.
Boston University
Brigham & Women's Hospital Inc.
Digital Equipment Corporation
Friendly Ice Cream Corporation
General Electric Company
Harvard Community Health Plan, Inc.
Harvard University
John Hancock Mutual Life Insurance Company
Massachusetts General Hospital
Massachusetts Institute of Technology
May Department Stores Company
New England Telephone and Telegraph Company
Polaroid Corporation
Purity Supreme, Inc.
Raytheon Company
S&S Credit Company
Sears Roebuck and Company
Shaw's Supermarkets, Inc.
Star Markets Company, Inc.
State Street Bank and Trust Company
United Parcel Service, Inc.

Source: Massachusetts Department of Employment and Training as of June, 1995

**COMMONWEALTH OF MASSACHUSETTS
STATUTORY BASIS FINANCIAL REPORT
CALCULATION OF TRANSFERS - STABILIZATION FUND
JUNE 30, 1995
(Amounts in thousands)**

This statement is prepared on the statutory basis of accounting pursuant to Section 83(a) of Chapter 120 of Acts of 1995; which superseded the historic calculation done in accordance with Chapter 29, Sections 1 and 5.

	Statutory Basis Financial Report	Preliminary Financial Report
Part 1: Status of Consolidated Net Surplus in the Operating Funds after amounts made available as revenues for fiscal year 1996 pursuant to Section 83(a) of Chapter 120.		
Undesignated Fund Balance (Deficit) in the Operating Funds:		
General Fund	\$ (241,878)	\$ (258,101)
Highway Fund	408,969	420,178
Local Aid Fund	<u>(72,167)</u>	<u>(71,281)</u>
Consolidated Net Surplus	94,924	90,796
Less: Amount available as revenue for fiscal year 1996 equal to 0.5% of the total tax revenue per Schedule A (0.5% of \$11,172,086,000)	<u>55,861</u>	<u>55,861</u>
Remaining Consolidated Net Surplus	\$ <u>39,063</u>	\$ <u>34,935</u>
Part 2: Calculation of transfers to Stabilization Fund, pursuant to Section 83(a)(2) of Chapter 120.		
Amount to be transferred to Stabilization fund equal to but no more than one fourth of one percent of the total tax revenue per Schedule A (0.25% of \$11,172,086,000)	\$ 27,930	\$ 27,930
From the General Fund, @ 60%	16,758	16,758
From the Local Aid Fund, @ 40%	<u>11,172</u>	<u>11,172</u>
Total Transfers	\$ <u>27,930</u>	\$ <u>27,930</u>
Status of Consolidated Net Surplus after Stabilization Fund transfers:		
Remaining Consolidated Net Surplus	39,063	34,935
Less: 0.25% Transfer to Stabilization fund	<u>(27,930)</u>	<u>(27,930)</u>
Remaining Consolidated Net Surplus pursuant to Section 83(a)(2)	\$ <u>11,133</u>	\$ <u>7,006</u>
Part 3: Calculation of amount to be transferred to Commonwealth Cost Relief Fund pursuant to Section 83(a) of Chapter 120.		
Consolidated Net Surplus after transfer pursuant to Section 83(a)(2)	\$ 11,133	\$ 7,006
Less: Amount to be transferred to the Commonwealth Cost Relief Fund no more than one and one half percent of tax revenue per Schedule A (0.5% of \$11,172,086,000)		
From the General Fund @ 60%	(6,680)	(4,204)
From the Local Aid Fund @ 40%	<u>(4,453)</u>	<u>(2,802)</u>
Remaining Consolidated Net Surplus pursuant to Section 83(a)(3)	\$ <u>0</u>	\$ <u>0</u>

	Statutory Basis Financial Report	Preliminary Financial Report
Part 4: Calculation of amount to be transferred to Stabilization Fund pursuant to Section 83(a)(4).		
Remaining Consolidated Net Surplus after transfer pursuant to Section 83(a)(3)	\$ <u>0</u>	\$ <u>0</u>
Additional amount to be transferred to Stabilization Fund	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>
Part 5: Status of Stabilization Fund after transfers.		
Reserved for Stabilization - Accumulated Balances	\$ 397,475	\$ 397,475
Add: FY95 Transfers to Stabilization Fund	27,930	27,930
Balance remaining after transfer to Commonwealth Cost Relief Fund	<u>0</u>	<u>0</u>
Reserved for Stabilization	\$ <u><u>425,405</u></u>	\$ <u><u>425,405</u></u>
Part 6: Calculation of Consolidated Surplus after Transfers:		
Undesignated Fund Balance (Deficit) in the Operating Funds:		
General Fund	\$ (265,315)	\$ (279,061)
Highway Fund	408,969	420,178
Local Aid Fund	<u>(87,792)</u>	<u>(85,255)</u>
Amount available as revenue for fiscal year 1996	\$ <u><u>55,861</u></u>	\$ <u><u>55,861</u></u>